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BEFORE THE ARIZONA CORPORATION COMMISSION Arizona Corpor

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AZ CORP COMMISSION DUCKET CONTROL

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DOCKETEURY

IN THE MATTER OF:

COMMISSIONERS

**GARY PIERCE** BOB STUMP

PAUL NEWMAN

**BRENDA BURNS** 

BEVERLY MICHELE WEST and ROSS WEST, wife and husband.

RESPONDENTS.

DOCKET NO. S-20806A-11-0234

SIXTH PROCEDURAL ORDER (Vacates Status Conference)

## BY THE COMMISSION:

On June 6, 2011, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Beverly Michele West and Ross West, wife and husband (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts.

The Respondents were duly served with a copy of the Notice.

On June 29, 2011, a request for hearing was filed by the Respondents.

On July 1, 2011, by Procedural Order, a pre-hearing conference was scheduled on July 26, 2011.

On July 26, 2011, the Division and Respondents appeared with counsel. The Division and Respondents are discussing a possible settlement of the issues raised by the Notice. The parties agreed that a status conference should be scheduled in mid-September to determine a hearing date if a settlement cannot be reached. Subsequently, by Procedural Order, a status conference was scheduled on September 14, 2011.

On September 14, 2011, at the status conference, the Division appeared with counsel. Neither of the Respondents nor their counsel appeared. Counsel for the Division indicated that the Division would look into the failure to appear by the Respondents and their counsel and request that either another status conference or a hearing be scheduled.

On October 18, 2011, the Division filed a Motion to Set a Hearing and suggested that the proceeding be scheduled for a five day hearing in May 2012 to avoid any scheduling conflicts.

On October 19, 2011, by Procedural Order, a hearing was scheduled on May 7, 2012, and an exchange of documentation was ordered.

On March 27, 2012, the Division filed a Joint Stipulation on behalf of the parties requesting that the proceeding be continued, and the exchange of documentation be delayed. The parties also requested that a status conference be scheduled in 30 to 45 days. The parties indicated that new information and documentation was being reviewed that could lead to a resolution of the proceeding between the Division and the Respondents.

On March 28, 2012, by Procedural Order, the hearing date was vacated, and the exchange of documentation delayed. A status conference was also scheduled on May 9, 2012.

On May 7, 2012, the Division filed a Joint Stipulation on behalf of the parties requesting that the status conference be continued. The parties also requested that another status conference be scheduled in 60 days. The parties indicated that after a settlement conference new documentation was being reviewed by the Division and might lead to a resolution of the proceeding between the Division and the Respondents.

On May 8, 2012, by Procedural Order, the status conference was continued to July 12, 2012.

On June 29, 2012, the Division and the Respondents filed a Joint Stipulation requesting that the status conference be vacated because the Respondents have executed a proposed Consent Order which is to be submitted for Commission approval at an upcoming Open Meeting.

Accordingly, the status conference should be vacated.

IT IS THEREFORE ORDERED that the status conference scheduled on July 10, 2012, is hereby vacated.

IT IS FURTHER ORDERED that if the case is not resolved by Commission approval of the Consent Order, the Division shall file a Motion to schedule a status conference.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) applies to this proceeding as the matter is now set for public hearing.

IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance

1 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission includes appearances 3 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is 4 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the 5 Administrative Law Judge or the Commission. 6 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules 7 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission 8 pro hac vice. 9 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive 10 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing. 11 day of July, 2012. DATED this 12 13 14 AĎMINISTRATIVE LAW JUDGE 15 16 Copies of the foregoing mailed/delivered this 2nd day of July, 2012 to: 17 Hubert E. Kelly 18 KELLY & KELLY, P.C. P.O. Box 44138 19 Phoenix, AZ 85064-4138 Attorney for Respondents 20 Matt Neubert, Director 21 Securities Division ARIZONA CORPORATION COMMISSION 22 1300 West Washington Street Phoenix, AZ 85007 23 ARIZONA REPORTING SERVICE, INC. 2200 North Central Avenue, Suite 502 25 Phoenix, AZ 85004 26 By:

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Secretary to Marc E. Stern